

EXHIBIT 54

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In Re:

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Adv.Pro.No.
08-01789(BRL)

Debtor.

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IRVING H. PICARD, Trustee for the
Liquidation of Bernard L. Madoff
Investment Securities LLC,

Plaintiff,

Adv.Pro.No.
09-1182(BRL)

v.

J. EZRA MERKIN, GABRIEL CAPITAL,
L.P., ARIEL FUND LTD., ASCOT
PARTNERS, L.P., GABRIEL CAPITAL
CORPORATION,

Defendants.
-----x

DEPOSITION of JACK N. MAYER, as taken
by and before NANCY C. BENDISH, Certified Court
Reporter, RMR, CRR and Notary Public of the States
of New York and New Jersey, at the offices of
BAKER & HOSTETLER, 45 Rockefeller Plaza, New York,
New York on Tuesday, October 11, 2011, commencing at
10 a.m.

1 number 3, the 1998 opinion, you did not understand
2 in 1998 that that was in effect until the appeals
3 had been finished?

4 MR. STEINER: Objection.

5 A. Correct.

6 Q. Can you tell me each instance, each
7 conversation you've had with Mr. Teicher in which
8 there is a discussion of concerns with Mr. Madoff?

9 A. I can't.

10 Q. Do you recall any such conversations?

11 A. Yes.

12 Q. Can you tell me the ones you do
13 remember.

14 A. I remember generally an initial one,
15 in which the subject came up, and in which he
16 expressed the concern that it could be a Ponzi
17 scheme.

18 Q. Do you remember when that took place,
19 that conversation?

20 A. My general recollection is sometime
21 in the early '90s.

22 Q. So before he went to prison?

23 A. Yes.

24 Q. Was Mr. Merkin involved in that
25 conversation as well?

1 A. My recollection is yes.

2 Q. And you do remember him using the
3 phrase "Ponzi scheme"?

4 A. Yes.

5 Q. Was there any discussion as to what
6 he meant by that?

7 A. No.

8 Q. What's your understanding of why he
9 used the phrase "Ponzi scheme"?

10 MR. VINEGRAD: What's the question?

11 Q. What's your understanding of why he
12 used that phrase?

13 MR. VINEGRAD: You can answer.

14 A. Because that's what he thought it
15 was, or could be.

16 Q. Why did he say that he thought it
17 could be that?

18 MR. STEINER: Objection to form.

19 A. I recall him referring to the
20 steadiness of the returns and their size.

21 Q. So he was aware of the returns that
22 Madoff purported to provide?

23 MR. STEINER: Objection to form.

24 MR. VINEGRAD: "He" meaning
25 Mr. Teicher?

1 this time for the receiver for Ascot but we reserve
2 rights as well.

3 MR. STEINER: And none at this time
4 for Mr. Merkin or GCC.

5 (Deposition adjourned 1:15 p.m.)

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